THE AGRICULTURAL SITUATION

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A Brief Summary of Economic Conditions

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IN THIS ISSUE

COMPARISONS OF United States food production during this war and the first World War show striking contrasts and striking similarities. At the beginning of the two wars we were producing about the same amount of food per capita. Similarities which developed during both wars include: substantial livestock increases, feed and fertilizer shortages, extremely long hours, relatively high wages, and favorable prices to farmers. * * * Improved seeds, fertilizers, machinery, and operating practices, all developed since World War I, together with favorable weather contributing to record-breaking yields, have made rapid production expansion more easily possible during World War II. In addition, soil conservation measures and experience in other extensive agricultural programs during recent years have facilitated expanded production this time. * * * On the other hand, the much more critical farm machinery and farm labor shortages in this war make sustained production difficult. In the last war the armed forces were comparatively smaller and less mechanized—farm machinery manufacture was not greatly restricted and farm labor shortages were eased by increased mechanization of farming.

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Commodity Reviews

FEED SUPPLIES

DURING the past year Government owned wheat has been a major source of feed, especially in deficit areas. Over 400 million bushels of wheat were fed to livestock in the year ended September 1943, a much larger quantity than in any previous year. The quantity of wheat fed during 1943–44 will depend to some extent on how much can be imported from Canada and how much can be purchased through the Government purchase program. Present indications point to 250 million bushels of domestic wheat to be fed during 1943–44 if the 1944 wheat crop is average or better. About 125 million bushels of this may be Government wheat. The remaining 125 million bushels is expected to be fed on the farms of wheat growers. This total will probably be supplemented by feed wheat imports from Canada.

As of October 1, 1943, stock of Government wheat totaled about 115 million bushels; about 70 percent held in the West North Central section, 10 percent in the South, 15 percent in the West, and small quantities in the East North Central and North Atlantic areas.

The national 1943–44 average feed grain supply per animal consuming unit expected on farms on January 1944 is about 12 percent smaller than in 1942–43 and 8 percent below the 1937–41 average. By drawing on reserve stocks the feeding rate per animal unit, however, may be as large as the 1937–41 average but somewhat below the heavy rate of feeding in 1942–43. But because of the difficulty of obtaining shipments, less feed than the 1937–41 average per animal unit may be available in some deficit areas.

In several regions feed supplies for 1943–44 season are smaller than in 1942–43. Corn Belt feed grain supplies are 8 percent smaller; in the drought affected Southern States both feed and hay grain supplies are materially reduced over last year; in the West, feed grain supplies are 5 percent smaller; and in the North Atlantic States the locally grown grain supply is 19 percent smaller than in 1942.

The North Atlantic States will have 5 to 10 percent less feed concentrates than a year ago.

No corn will be available from Argentina until the 1944 crop is harvested, but Argentine wheat supplies are 38 percent above the 1937–41 average. During 1943–44 a considerable quantity of wheat is expected to be imported from Canada. While available shipping space will limit the total quantity of feed grains imported from Canada in 1943–44 total imports of oats, barley, and wheat may be equivalent to 120 million bushels of corn. Canadian wheat supplies are smaller than last year but much larger than needed for Canadian requirements.

On the basis of production indicated October 1, the corn supply for 1943–44 is expected to be about 3,429 million bushels, about 238 million bushels smaller than the supply last year but 378 million bushels larger than the 1937–41 average. These estimates represent an increase of 44 million bushels over September 1. Corn receipts at primary markets in August were nearly double July receipts and were adequate to meet the needs of corn processors, but commercial supplies are still much below the requirements of feed mixers and livestock feeders in deficit feed areas. The commercial stocks of corn of the 46 terminal markets were reduced to 5.6 million bushels in late August, the lowest level in recent years.

During September the oats supply outlook for 1943-44 improved moderately. Oat prices went up 26 cents a bushel over a year ago. The 1943-44 barley and grain sorghum outlook declined during September.

DAIRY PRODUCTS

THE WAR Food Administration control of fluid milk sales, through the establishment of quotas on deliveries of milk, cream, and milk byproducts, began October 4 in 13 eastern and midwestern metropolitan areas, and is being applied to other areas as rapidly as possible. It is planned to extend the program until all markets of at least 50,000 population are included.

The basic purpose of the program is to prevent a further increase in the consumption of fluid milk rather than to reduce present consumption. This is necessary so that enough milk will be available to produce the cheese, butter, and other manufactured dairy products required by the armed services and civilians. As milk conservation and control will be effected at the dealer level, consumer point-rationing is not involved.

Milk dealers in the initial milk sales areas brought under control are allowed to sell as much fluid milk each month as they sold last June 1943, the peak production month. Cream sales are limited to 75 percent of the quantity sold in June, and the sales quota for fluid milk byproducts as a group, is 75 percent of June sales. Producer-distributors who purchase no milk (except those whose volume of sales is small enough to exempt them from the quota) are allowed to sell an amount of fluid milk, cream, and fluid milk byproducts equal to 100 percent of their total milk production in June.

The War Food Administration program to protect dairy farmers against increases of dairy feed prices above the 1942 level is planned to go in effect from October 1 through December 31, 1943.

Payment rates are 50 cents in areas where the quantity of purchased feed is large and feed costs have advanced the most, and where the price advances received for milk since the period immediately preceding our entry into the war have been the least. In areas where less feed is purchased and milk-feed price ratios are more favorable, the rates scale down to a minimum of 30 cents. When butterfat rather than whole milk is delivered, the rates are 4 to 6 cents per pound of butterfat. The payment rate where a milk subsidy was already in effect, or where a hay program had stabilized hay prices to dairy producers, was adjusted to take these programs into account. The U. S. average payments will be about 36½ cents for milk and 4¼ cents for butterfat on the basis of 1942 milk and cream sales.

Milk production for the first 10 months of 1943 is estimated at 102,505 million pounds and compares with 103,198 million for the same period of 1942. Butter production from January through August this year was 1 percent lower than in 1942, and in recent weeks has been 7 to 12 percent lower than in the comparable weeks of 1942. Increased consumption of fluid milk and cream has been at the expense of butter and other milk products. Evaporated and dried skim-milk production are both 15 percent below the 1942 January–August production.

FARM EMPLOYMENT

THE NUMBER of people working on farms increased 436,000 during September this year, making October 1 farm employment 11,938,000 persons, 17,000 above that of a year ago.

The farm employment increase over last year occurred primarily in greater employment of family workers (8,834,000) which was 2 percent higher than family workers on farms a year ago and slightly more than the (1938–42) average for that date. On the other hand, the 3,104,000 hired workers on farms on October 1, 1943, is 5 percent less for that date a year ago and 7 percent less than the 1938–42 average.

In general, as harvesting began this year farm labor requirements of most regions were being met. In North Dakota the need for additional harvest workers was met by help of

soldiers, by bringing in a large number of southern farmers, by use of volunteer labor from cities, and by the use of out-of-State combines. In Texas, as in many other States, supplemental labor was provided by school children, college students, boy scouts, civic groups, and war prisoners.

The farm labor situation on the West Coast continued difficult during September even though eased by large numbers of Mexican nationals and other recruits used in the crop harvest.

DEMAND, PRICES, INCOME

OVER-ALL demand for farm products is expected to average somewhat higher in 1944 than in 1943 but the rate of increase will be slower than during the last 3 years. The volume from 1943 crops available for sale in early 1944 is expected to be nearly as great as the amount sold in the early part of this year from the record crop production of 1942.

Military and foreign requirements for agricultural products contribute substantially to the total demand for such commodities. In 1943, one-fourth of our agricultural food production has been allocated to military, lend-lease, and other special needs, compared with 14 percent in 1942 and 6 percent in 1941. Lend-lease and foreign relief demands have been especially strong for foods such as dried milk, dried eggs, canned meats, soybeans, dried fruits, and fats.

Prices received by farmers in 1943 are expected to average about 20 percent above 1942. Although maximum wholesale and retail prices have been established for most agricultural products, demand has been sufficiently great to maintain prices at or near ceiling levels. Partly because of adjustments in loan rates, support prices, and price ceilings, prices received by farmers are expected to advance somewhat from present levels.

The index of prices paid by farmers, including interest and taxes, will probably average 164 in 1943 (1910–14=100) as compared with 151 in 1942, a 9-percent increase. Prices of things the farmer will buy are expected to continue at relatively high levels during 1944 and farm wage rates will probably continue rising.

The September 1 estimate of the 1943 total cash farm income, including Government payments, is 19.9 billion dollars. The 1943 estimated gross farm income which includes the value of home consumption and rental value of buildings is 22.7 billion. Production expenses will absorb about 10.2 billion of this gross income.

During the first eight months of 1943 income from various classes of products increased over the same period for 1942 as follows: food grains 27 percent; feed grains and hay 29 percent; cotton and cottonseed 41 percent; oil bearing crops 124 percent; vegetables 44 percent; fruits and nuts 35 percent; meat animals 27 percent; dairy products 22 percent; and poultry and eggs 52 percent.

Index Numbers of Prices Received and Paid by Farmers

[1910–14=100]

Year and month	Prices received	Prices paid, interest, and taxes	Buying power of farm products [1]
1942			
January	149	145	103
February	145	147	99
March	148	150	97
April	150	150	100
May	152	151	101
June	151	151	100
July	154	152	101
August	163	152	107
September	163	153	107
October	169	154	110
November	169	155	109
December	178	156	114
1943			
January	182	157	116
February	178	159	112
March	182	160	114
April	185	162	114
May	187	163	115
June	190	164	116
July	188	165	114
August	193	163	117
September	193	165	117

[1] Ratio of prices received to prices paid, interest, and taxes.

LIVESTOCK

THE WAR Food announcement that all quota limitations on livestock slaughter will be suspended from Sep-

tember 1 through October 31 was followed up by an order suspending inventory restrictions on slaughterers and meat handlers until further notice. All other provisions of the licensing program remain in effect. The action is expected to encourage increased slaughter in September-October and thus help avoid a glut during late fall and winter peak runs.

The Office of Price Administration announcement during September of a ceiling of $14.75 a hundredweight on live hogs at Chicago became effective October 4. The order does not apply to hogs weighing less than 140 pounds sold for feeding for more than one month; hogs sold for breeding or serum; or any hogs sold by a recognized farm youth organization with prior approval of the Office of Price Administration. Based on present corn and live hog ceilings, the hog-corn ratio is 13.7 at Chicago, somewhat below the present ratio and that of 1942. The War Food Administration also announced that the price of Good to Choice butcher 200–240 pound hogs would be supported at $12.50 per hundredweight, Chicago basis, for the period October 1, 1944, to March 31, 1945.

Hog slaughter declined contra-seasonally during September. It was 6 percent below August, but 9 percent above September 1942. Receipts of hogs during the first part of September were running below those of August. Sow marketings continued heavy but other old-crop hog sales declined.

Federally inspected cattle slaughter during September was up 16 percent from August, below September of 1942, but above September 1941 slaughter. Calf slaughter increased 23 percent during September 1943.

Slaughter of sheep and lamb during September was up 8 percent from August and was the highest slaughter on record. Heavy marketings of ewes still seemed to account for a large part of the increased slaughter.

The Association of American Railroads announced that the supply of stock cars, both single and double deck, is expected to be inadequate during peak movement of livestock this fall and winter. The Office of Defense Transportation also announced a program to assure as far as possible, adequate motor transportation. The program permits producers, truckers, dealers, and processors, to set up industry transportation plans locally to accomplish orderly and continued movement of livestock by motortruck.

Cold storage holdings of pork declined 136 million pounds during September while lard and rendered pork fat holdings decreased 65 million pounds during the month.

POULTRY AND EGGS

Increased farm marketings of chickens have nearly relieved the tight supply situation prevailing in most live poultry markets in the first half of 1943. Supplies of dressed poultry, however, continued short of market demand at ceiling prices. Prices of dressed chickens at New York in mid-October were from 15 to 32 percent higher than a year ago and dressed fowl from 20 to 31 percent higher. In Pacific Coast markets the demand for both live and dressed poultry exceeds the supply at ceiling prices.

From January to September 1943 egg production in the United States was 13 percent above the same period of 1942. The number of layers on farms in September 1943 was 10 percent greater than a year previous and total egg output in that month was 9 percent above September 1942. Compared with a year earlier all egg prices have been higher. In mid-September the average price received by farmers was 20 percent higher than a year earlier and for the first nine months of 1943 prices averaged 7 and 8 cents higher than in the corresponding period of 1942. The unprecedented consumer demand has kept retail prices well above those of a year ago. In early October, demand for eggs in some wholesale markets exceeded supplies at ceiling prices.

While egg drying operations have

been reduced since June they will be resumed on a large scale on existing contracts in the near future in preparation for heavy deliveries to the Government during the fall and winter months. The 800 million dozens of eggs that will have been used for drying in 1943 represents about 16 percent of the total 1943 estimated United States shell egg production.

On June 1, 1943, storage stocks of poultry were the smallest since 1918. From June 1 to September 1, storage stocks had increased from this low of 21 million pounds to 55 million pounds which is still only 63 percent of stocks of a year earlier and 5 percent below the 1937–41 average for that date.

The demand for baby chicks for commercial broiler production apparently is continuing at record levels. On October 1, the number of chicks on advance order was 98 percent larger than a year ago.

Indications point to 8 to 10 percent more layers on farms at the beginning of 1944 than on January 1, 1943. With this larger number of layers, egg production will probably be at least as large as in 1943.

WHEAT

WHEAT stocks in Canada, United States, Argentina, and Australia, on July 1, 1943, were about 1,770 million bushels, 300 million above the record of a year earlier. On July 1, 1944, these stocks are expected to be down to about 1,250 million, which will still provide for domestic requirements in the various countries until their new harvests, as well as normal minimum carry-over stocks, and still leave over 800 million bushels for exports. This will be considerably more than adequate to take care of next year's total world trade, even at very high levels, without the surplus from the 1944 crop.

Present prospects point to a 1943 world wheat production, excluding the U. S. S. R. and China, about 6 percent smaller than in 1942, reflecting a very large reduction in North America and Australia and offset only in small part by better prospects in Europe, Turkey, and India.

Suspension of wheat trading on the Winnipeg Grain Exchange and the discontinuance of all purchases of wheat from producers on an open market basis became effective September 28. All future prices and all cash wheat prices of all grades were fixed as at the close of business September 27, and no purchases or sales may be made at other prices. No export sales may be made until further notice. All wheat purchases from now on will be made through the Canadian Trade Minister.

FATS AND OILS

TOTAL fats and oils production for the year 1943–44 is expected to be 11.5 billion pounds. The 1942–43 fats and oils output was 10.6 billion pounds, 12 percent above 1941–42. The estimated 1943 flaxseed production of 51.5 million bushels is now expected to be about 11 million bushels greater than 1942. The peanut crop is indicated to be 600 million pounds above the 1942 crop as of September 1.

The largest July stock decreases of fats and oils were in cottonseed and coconut oil while cold storage holdings of creamery butter and lard increased as did inedible tallow and grease storage holdings.

On the domestic front, with limitation orders and rationing of food fats in effect, 1943 consumption of fats and oils, including the military in this country, will be about 400 million pounds less than 1942. Consumption in 1944 is expected to be at about the same level as 1943. Another factor of increasing importance is the lend-lease purchase of fats and oils which in the first eight months of 1943 was twice as high as the purchases for the same period in 1942. Lend-lease shipments for 1943 including butter are expected to constitute about 11 percent of the total annual production.

From August 15 to September 15, 1943, the average farm price of soybeans increased one cent per bushel, flaxseed increased 4 cents per bushel,

and cottonseed increased $1 per ton. These September 15, 1943, prices represent increases over the same date a year ago of 60 cents for flaxseed, 12 cents for soybeans, $6.60 for cottonseed and 1.5 cents for peanuts.

During the balance of 1943 and throughout 1944 prices of fats and oils are expected to continue at ceiling levels because of strong domestic and foreign demands. Lard may drop below ceiling prices during the period of heavy hog marketings next winter but large Government purchases will prevent any protracted decline.

VEGETABLES

TOTAL production of all vegetables is again at a high level this year. Both process and fresh market truck crops are above the 10-year (1932–41) average, even though a little below last year's bumper crop. The 1943 tonnage of truck crops for process is 9 percent smaller than last year but 59 percent larger than average; fresh market truck is 9 percent smaller than last year (primarily because of smaller acreage in 1943), but 1 percent above average.

Fie.d vegetable crop production is much better than truck—27 percent more potatoes than last year, 32 percent more field peas, 16 percent more dry beans, and 14 percent more sweetpotatoes.

The 1943 potato crop, estimated in October, is expected to be nearly 470 million bushels, compared with 371 million in 1942. The expected sweetpotato production of 75 million bushels this year, compares with 65 million last year.

The October estimated 23 million-bag dry edible bean crop for 1943 exceeds the 20 million bags produced in 1942. Dry field pea production in 1943 is estimated to be 9½ million bags as compared with 7 million bags in 1942.

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

	5-year average					
	August 1909–July 1914	January 1935–December 1939	September 1942	August 1943	September 1943	Parity price, September 1943
Wheat (bushel)—dollars	0.884	0.837	[1] 1.028	1.27	1.30	1.46
Corn (bushel)—do	.642	.691	.826	1.09	1.09	1.06
Oats (bushel)—do	.399	.340	.433	.652	.696	.658
Rice (bushel)—do	.813	.742	[1] 1.563	1.63	1.62	1.34
Cotton (pound)—cents	12.4	10.29	18.59	19.81	20.20	20.46
Potatoes (bushel)—dollars	.697	.717	1.077	1.59	1.34	1.19
Hay (ton)—do	11.87	8.87	9.03	12.20	12.90	19.60
Soybeans (bushel)—do	[2].96	.954	1.57	1.68	1.69	1.58
Peanuts (pound)—cents	4.8	3.55	5.69	7.17	7.15	7.92
Apples (bushel)—dollars	.96	.90	[1] 1.16	2.16	2.20	1.58
Oranges, on tree, per box—do	[3] 1.81	1.11	1.91	2.75	2.80	1.92
Hogs (hundredweight)—do	7.27	8.38	13.57	13.70	14.10	12.00
Beef cattle (hundredweight)—do	5.42	6.56	[1] 11.02	12.30	12.10	8.94
Veal calves (hundredweight)—do	6.75	7.80	[1] 12.80	13.70	13.50	11.10
Lambs (hundredweight)—do	5.88	7.79	[1] 11.90	12.80	12.50	9.70
Butterfat (pound)—cents	26.3	29.1	[1] 43.1	49.8	50.3	[4] 43.1
Milk, wholesale (100 pound)—dollars	1.60	1.81	[1] 2.69	[1] 3.14	[5] 3.21	[4] 2.72
Chickens (pound)—cents	11.4	14.9	20.3	25.6	25.2	18.8
Eggs (dozen)—do	21.5	21.7	34.7	38.8	41.6	[4] 40.5
Wool (pound)—do	18.3	23.8	[1] 40.1	41.2	41.0	30.2
Tobacco:						
Flue-cured, type 11–14—cents	[6] 22.9		37.0	37.2	36.9	30.9
Maryland, type 32—cents	[7] 22.9	17.6	29.0	60.0	60.0	24.3

[1] Revised.
[2] Comparable base price, Aug. 1909–July 1914.
[3] Comparable base price, August 1919–July 1929.
[4] Adjusted for seasonality.
[5] Preliminary.
[6] 5-season average, 1934–38.
[7] Base price crop years 1919–28.

REGIONAL PRODUCTION ROUNDUP

AGRICULTURAL production throughout the United States has undergone drastic changes in the last two years. Even further changes are in prospect for 1944.

The Nation's farms are approaching 100 percent production capacity if measured by the number of acres utilized. But even greater capacity is expected as the 380,000,000 acres for 1944 are utilized more intensively and adjusted to meet the tremendous wartime demand for food and fiber products.

This means much higher yields through wider use of fertilizers and better land husbandry because reliance chiefly on favorable weather is not enough. This means shifts to more food crops for direct human consumption because they produce the most nutrients per unit of land, labor, and equipment. This means shifts to oil and fiber crops for industry because they can no longer be imported. This means similar drastic changes all along the agricultural production front. In a word, farming-as-usual is out—out for 1944, out for the duration, out for several years to come.

Here, then, are brief reports on the drastic changes America's soldiers of the soil have wrought in two turbulent years. The Nation's farmers are geared for even further changes in 1944.

What they have done and what they can do is outlined in these reports covering America's four major agricultural regions.

Northeast

TOTAL agricultural production in the Northeast this year will probably exceed the record levels of 1942—a notable accomplishment when considering the late spring, severe summer drought over much of the area, and many other obstacles. Further increases are possible in 1944. But additional programs will be needed to make critical items available.

The record production achievements of 1942 and 1943 were brought about by varying means on different farms and included: (1) longer hours of work, (2) use of more lime and fertilizer, (3) increased livestock numbers, (4) wider use of tractors, combines, milking machines, and certain other machinery, (5) larger inshipments of feed concentrates.

Despite these extra efforts, dairying in 1943, the leading farm enterprise of the region, probably will not equal 1942 levels. There is real danger that without immediate further attention supporting milk production it will trend sharply downward by the end of 1943. On the other hand, potato production in 1943 is estimated to be the largest since 1934. In addition, the 1943 production of most other commodities important in the Northeast is expected to exceed 1942.

The 1944 food production program for the Northeast probably will call for milk and egg production increases over 1942 and 1943. Increases in the acreages of oil crops and direct food crops such as potatoes, dry beans, and truck vegetables, will very likely be an important part of the program. Adequate quantities of farm labor, lime and fertilizer, farm equipment, together with satisfactory price rela-

tionships, will continue to be vital requirements of the 1944 wartime agricultural production program.

Feed, Chief Problem

Livestock feed will probably be the number one problem of Northeast agriculture in 1944. Farmers in the 11 Northeastern States are now feeding 10 to 11 million tons of concentrates annually. About 75 percent of the total goes to dairy and poultry enterprises. From 65 to 75 percent of the concentrates has been grain and the rest commercial byproducts. About half of the grain and perhaps two-thirds of the commercial byproducts used in the region have been shipped in from other regions. Some short-time adjustments can be made to increase grain production within the region, but by and large, reductions of concentrate inshipments during the war period will result either in reduced livestock numbers or in lowered feeding rates.

The production of whole milk is generally accepted as the most efficient means of converting feed concentrates into food nutrients most needed under present conditions. Recognizing this, the 1944 food production program probably will call for an increase in milk production and for some reduction in meat animals as compared to 1943. These adjustments will bring livestock into balance with national feed supplies, but farmers in the Northeast generally believe that these changes are not likely to occur unless implemented by programs not now in the picture.

Dairy, Poultry Changes

Northeast dairy and poultry producers are already appraising their individual farm situations from the viewpoint of how to meet shortages of feed concentrates. Poultrymen may not have many alternatives but most dairymen have several opportunities to make adjustments. In general, the choice for dairymen is between changing feeding practices and reducing cattle numbers. High rates of concentrate feeding have been emphasized so much in recent years that many farmers and farm leaders tend to think first in terms of reducing cattle numbers to maintain rates of feeding. In most cases, however, more milk production will be obtained for the national food supply and the individual farmer will make more profit if dairy cattle numbers are maintained or increased and rates of concentrate feeding adjusted as necessary. In the Northeast this will be particularly true if full advantage is taken of the region's natural adaptability to produce roughage.

Fertilizing Pastures

Milk production can be increased in the Northeast, even with decreased supplies of feed concentrates, if full advantage is taken of possibilities for improving the quantity and quality of hay and pasture. A desirable roughage program includes: (1) more legume seedings; (2) greater use of lime, phosphates, and potash on these seedings; (3) more use of nitrogen and mixed fertilizer on hay and pasture sods; (4) better use of farm manure; (5) improved harvesting practices. More favorable price relationships will encourage these practices. In addition, Government programs will be needed to achieve the desired scale.

Use of lime and fertilizers should at least be tripled in the region, and legume seedings should be more than doubled in New England and some other parts of the Northeast. Ready availability of materials at minimum cost will be a great stimulus to their increased use. In addition, if custom plowing for reseeding could be supplied at low cost, on the same basis that has already been used in providing lime and fertilizers under the AAA program, the reseeding will be accomplished much more readily. This is particularly true in such areas as New England where long rotations have been followed and where many operators are not equipped for, or accustomed to, plowing large acreages.

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It is very difficult, however, to get a complete roughage program into operation quickly. Some adjustments can be made in the roughage program and in feeding practices in 1944, but production increases of milk and eggs in the Northeast are not likely unless feed inshipments are continued at close to 1943 levels. Assurance of adequate supplies of feed concentrates, coupled with higher returns for milk production, will offer reasonable certainty for increases in production.

Milk and eggs probably will find a strong regional demand in 1944 for any quantities that can be produced in the Northeast. Consumers are likely to want, and be able to buy, more of these products than will be available. Facilities for getting the quantities produced to consumers generally seem to be adequate.

Truck Crop Stimulants

Fresh vegetables have encountered temporary market gluts in 1943. This is not an unusual occurrence, but coupled with price ceilings, it has meant relatively unprofitable production of certain vegetable crops of high food value in 1943. With price ceilings but no price floors, the low return during gluts could not be offset this year by high prices during other periods, as they frequently have been in previous years, and so average returns for some crops have been unsatisfactory. Examples are cabbage, snap beans, and spinach. On the other hand, the production of melons, which are "nonessential" crops and not under price ceilings, has been generally profitable this year.

Many opportunities exist for production shifts between different truck crops. In 1944 growers may tend to shift toward those not under price ceilings, particularly those that have been most profitable in 1943. Such shifts will tend to be undesirable from the standpoint of efficient production of essential food nutrients.

Potato production in the Northeast next year will be influenced by farmers' experience with this year's large crop. In some areas the available storage and transportation facilities are severely taxed. Maine in particular has a very large potato crop—one considerably above the previous 1934 peak. Under wartime conditions and in the short time available, it will be a real achievement to harvest the 1943 crop and to move enough of it to market before freezing weather so that the rest can be handled in available local storage.

Capacity Incentives

A 1944 production program for the Northeast calling for further increases over the record levels of 1942 and 1943 will be attained only by fully utilizing most of the available farm production capacity. Capacity studies have indicated that further increases are possible if critical production items are made available and if additional economic incentives are provided. Special studies in 7 counties, selected to represent the region, indicate that some opportunities to increase production are to be found on nearly all types and sizes of farms. The greatest opportunities are on the larger family-sized farms which now have an annual production volume above 20 war units.

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South

SOUTHERN Agriculture is being rapidly changed by World War II. Food and feed crops important in the war effort have already been greatly expanded and adapted to areas in the South. The total acreage of four important crops in the South—peanuts for nuts, soybeans for beans, sweetpotatoes, and potatoes, for example—has more than doubled, increasing from an average of 3.5 million acres in 1937–41 to 7.2 million acres in 1943.

Total acreage of feed grains and hay crops in 1943, including peanut hay,

has increased by about 5 million acres over the 1937–41 average. This is almost 10 percent larger than during the pre-war period. Acreage of oats, barley, sorghums and all tame hay increased by nearly 6 million acres, but this was offset in part by decreases in corn acreage. Wheat acreage for 1943 was more than 2.5 million acres under the pre-war level as a result of marketing quotas instituted in 1942. Cotton continued its downward trend, the 1943 acreage being about 4 million acres below the 1937–41 average. This reduction was partly due to increased plantings of such crops as peanuts and sweetpotatoes as well as the expansion of feed crops.

Livestock production in the South has shown a marked increase over the pre-war levels. The number of sows farrowing in 1943 is more than 50 percent larger than the 1937–41 level while chicken and egg production is about 40 percent larger. Commercial broiler production reached a record high while milk production is about 10 percent larger. Beef cattle production also shows a substantial increase.

Further Production Shifts

Important further shifts in emphasis beyond the changes of recent years are necessary in order to maximize agricultural wartime production in the South. Continued emphasis will have to be placed on maximizing the production of direct food crops, oil crops, and feed crops.

Livestock numbers will have to be brought more in line with prospective feed supplies. In general, it will be desirable to raise fewer hogs and commercial broilers especially in deficit feed areas where these animals are heavy grain consumers. Reduction in beef cattle numbers down to the carrying capacity of pastures in some areas, particularly in Oklahoma and Texas, seem desirable if not inevitable.

Because of wartime demand continued emphasis must be placed on milk and egg production throughout the South. Much more fluid milk is needed in the region to meet the requirements of the increased military population and civilian demands.

To meet wartime needs in 1944, cropland must be used more intensively. The total acreage of crops can be increased mainly by increasing the acreage of double-cropped land, by greater utilization of land idle in 1943 and to some extent by bringing of new lands into use.

Oil Crop Increases

Peanut acreage can be expanded further in 1944. The bulk of the increase would occur in Alabama, Georgia, Oklahoma, and Texas. In the Southeast, expansion would occur largely in the Coastal Plains sections. In the Southwest, largest increases would appear possible in the East Texas Sandy Lands and in the Oklahoma Cross Timbers section. Because cotton yields in these areas are usually low and the staple produced below the average, shifts from cotton to peanuts are considered desirable.

Achievement of the increase in peanuts will require active substitution for cotton in most of these areas as peanuts and cotton compete for labor at the same seasons of the year. In addition to the displacement of cotton, there must be an expansion in total crop acreage in most of these areas. Further increases in peanut acreage are possible also in the Coastal Plains section of North Carolina, South Carolina, Arkansas, Mississippi, and Louisiana. Because much of the possible increase would occur in relatively new areas of production, certain problems should be given continued attention in order to facilitate the expansion. These problems deal chiefly with machinery for harvesting, and plans for assembling and marketing the crop.

Soybeans are an important commercial crop in two areas in the South—the Virginia-North Carolina area and the Mississippi Delta. In these areas soybeans fit in as a supplemental enterprise on the larger farms

and the acreage has expanded rapidly. The major limitation to further expansion in 1944 in the Virginia-North Carolina area seems to be lack of combines for harvesting. In the Mississippi Delta a larger soybean acreage in 1944 probably will need to be fitted around a larger cotton acreage. However, it would seem possible to increase moderately the acreage of both soybeans and cotton in these areas.

Necessary Cotton Shifts

Cotton stocks on August 1, 1944, probably will be about 10 million bales. Despite this comparatively large carry-over in prospect for the end of the current season, much of it will be in the lower grades and shorter staples. Supplies are unbalanced with the carry-over of very short cotton disproportionately large in terms of current disappearance. No material correction of this situation is in immediate prospect. But to improve it, cotton producers throughout the Belt will have to make a concentrated effort to improve the grade and staple length of the 1944 crop.

Shifts in cotton acreage among areas in 1944 will maximize food production and improve the quality of the cotton crop. Farmers in areas where alternatives to cotton production are good and where the quality of cotton produced is low are encouraged to shift to the better alternatives. On many farms, however, there are no adapted crop enterprises which are attractive compared to cotton. On these farms cotton should and probably will be increased, if labor is available. In such areas as the piedmont of the Carolinas and Georgia, for example, many farmers may be expected to grow somewhat more cotton. These areas have few alternatives; they have enough labor to "get by," and generally produce grades and staple lengths of the type most needed. Increases in the acreage of cotton in the alluvial acres will increase the average staple length of the total supply and give more cotton per unit of input. Yields of all crops are high in the alluvial areas but considering lint, oil and meal, cotton generally is the outstanding crop.

Larger Wheat, Potato Output

With the suspension of marketing quotas the acreage of wheat probably will expand considerably, possibly exceeding the pre-war level. Most of the expansion in the South will be limited to the Southwestern Plains section of Oklahoma and Texas. The largest increase will occur in central and western Oklahoma where wheat apparently represents the best alternative and increased acreages of wheat will fit into the existing farm organizations. An expansion in wheat acreage will require a greater utilization of idle and fallow land and the displacement of some barley and oats, and cotton.

Sweetpotato acreage in the South increased over 30 percent from 1942 to 1943. Sweetpotatoes represent a desirable supplemental enterprise in many of the hill areas of the South where soil and climatic conditions are favorable to production and where market outlets are available. A moderate further expansion in 1944 should be contemplated to meet increased requirements.

Market demands for the early Irish potatoes were about saturated by this year's production but further increases in the very early and intermediate potato areas would appear justified. Principal increases in the acreage of vegetable crops should probably be in vegetables for fresh market together with a moderate increase in processing crops such as tomatoes and snap beans.

More Feed Production

Livestock numbers are at an all-time high in most of the Southern States and local production of feed will rate high on the priority list for 1944. Corn has been the main feed grain in the South even though yields have been low in many areas. It has been supplemented to some extent by the

feeding of small grains and hay. The pattern of adjustments in feed crops for the South calls for increased feed production by (1) increased attention to practices which will increase yields, and (2) increased acreage of feed crops.

In the era of one-cash-crop-farming, feed crops were more or less incidental and comparatively large acreages were planted to meet the relatively small requirements. Now with a record number of livestock in the South, there exists a real need for higher feed production. Heretofore, farmers have been able to purchase feeds from surplus producing areas whenever necessary. Inshipments may be harder to obtain in 1944 and farmers should make a special effort to be self-sufficient wherever possible.

Higher Crop Yields

Feed production in the South could be substantially increased without any change in the acreage of corn or small grains through the use of better land, more fertilizer, and better practices. With prospects for more nitrogenous fertilizer available next year, farmers can increase feed crop yields substantially.

In addition to increasing yields it seems desirable also to increase the total acreage of feed grains materially in most sections. Where use of low-grade land is entailed, experience has demonstrated that small grains and hay crops will generally produce more feed and with less danger of accelerating erosion. In many areas, such as the upper Coastal Plains of Alabama and the Piedmont of Georgia, oats, barley, and wheat produce more pounds of grain per acre than corn; increases in the acreage of small grains have been rapid during recent years. New rust-resistant, higher yielding varieties of small grains adapted to the South have increased the advantage of these crops.

A second consideration in placing emphasis on small grain crops in many parts of the Southeastern, Appalachian, and Delta States is the opportunity of obtaining a crop of lespedeza or other summer hays after harvesting small grains. This opportunity for double cropping should be given particular emphasis during the coming year.

In the Southwest, adjustments for maximizing wartime food production may require some decrease in the total acreage used for feed crops as compared with the large acreages planted in 1943. The increased demand for wheat together with the greater hazards connected with the production of oats and barley would seem to favor some reduction in these crops to permit a larger wheat acreage.

As a catch crop on abandoned small grain acreage and on the more sandy soils which are not especially well adapted to small grains, grain sorghum represent a desirable feed crop in the western areas. Although some reduction in total sorghum acreage from the extremely high level of 1943 would appear necessary, a continued emphasis on grain sorghums seems desirable.

Dairy, Poultry Outlook

Milk is needed in the South to supply the increased military population in training and the increased civilian demand in manufacturing and other urban centers. A moderate increase in milk production appears possible in 1944. The increase will have to be small because of a shortage of locally produced feed in many areas and the prospective high cost of feed shipped in.

Recent extremely unfavorable weather in some areas of the South have tended to increase the seriousness of the already critical feed situation. This is especially true in Oklahoma, Texas, Arkansas, northern Mississippi, and the eastern half of Virginia. In these areas considerable liquidation of other classes of livestock between now and next year have already been planned in order to conserve feed supplies for milk production, but drought conditions have rendered the plans inadequate. Either

these liquidations will have to be increased markedly or inshipments of feed will have to be increased in order to keep milk production from suffering. Special efforts to secure inshipments of feed to enable farmers to meet minimum fluid milk requirements appear warranted.

There seems to be a possibility of maintaining 1943 record egg production in most areas in the South and even making moderate increases in some areas. A large proportion of the eggs produced are from small farm flocks which provide an efficient supplemental enterprise. Commercial broiler production, on the other hand, should probably be curtailed in most areas in light of prospective feed supplies. The production of broilers is based largely on corn and other feed concentrates acutely needed for milk and egg production.

Fewer Meat Animals

In making livestock adjustments in 1944, southern farmers will generally have to pay particular attention to their feed supplies. A scarcity of corn and other feed grains relative to the plentiful supplies during the past few years will be common.

Reduction below the 1942 level of hog numbers appears necessary in most commercial areas where production is dependent on corn and other feed grains. In areas where severe drought conditions have materially reduced feed crop production the securing of necessary feed for efficient liquidation may present a problem on many farms. On the other hand, farmers producing hogs primarily for home use in areas where animals feed mostly on garbage and other farm waste products, may not find it to their advantage to change the size of their hog enterprise.

In the commercial hog areas of the Southeast where hogs are fattened largely on peanuts, increased peanut gleanings would provide some increase in feed supplies. Marked reductions in these areas will probably be necessary only where the acreage of peanuts for hogging off is reduced.

Adjustments in beef cattle numbers appear warranted in the Southwestern States where it will probably be necessary to reduce cattle numbers in line with the normal carrying capacity of pastures. A considerable part of this liquidation is already occurring particularly in Arkansas and Oklahoma as a result of current drought conditions.

Machinery, Labor Prospects

Expanded agricultural production in the South to meet wartime needs in 1944 will require more labor. Neighborhood cooperation in exchanging labor and machinery will be an essential factor in meeting peak labor demands. Although farmers should try to plan their farming to secure the largest production with as good a seasonal distribution of labor as possible, many farmers will find it necessary to depend more on hired labor for key operations such as digging peanuts, harvesting wheat or picking cotton in order to maximize their output. Programs have been set up to increase supplies of seasonal labor in areas where they are critically needed. Fortunately, machinery supplies in 1944 are expected to be greater than in 1943. More tractors and labor saving equipment will enable the limited labor supplies to go farther.

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Corn Belt

LIVESTOCK adjustments to cope with reduced feed grain supplies and more intensive use of farm land will be the major 1944 production problems of Corn Belt and Lake State farms.

Farms of the five central Corn Belt States—Ohio, Indiana, Illinois, Iowa, and Missouri—and of the three Lake States—Michigan, Wisconsin, Minne-

sota—have done an outstanding job of expanding the production of livestock and livestock products to record high levels during the last two years. Huge reserves of feed at the beginning of this period and favorable weather making possible exceptionally good yields of feed crops in 1941 and 1942 enabled farmers of the region to raise more pigs, feed more cattle, keep more dairy cows and maintain larger poultry flocks than ever before.

During 1943, however, feed grains are used at a faster rate than they are produced. Despite the extraordinary production of feed grains in 1942, the carry-over of these grains at the beginning of the 1943–44 feeding year will be nearly 100 million bushels smaller for the country as a whole than a year earlier. There is no mistaking the fact that a relatively short supply of feed grain will be the outstanding production problem of farmers in this region during 1944.

Harvested acreage of crops increased 2 million acres from 1942 to 1943 in the five Corn Belt States and 400 thousand acres in the three Lake States. Reductions in the acreages of rotation pasture (cropland), permanent plowable pasture and idle land permitted this expansion in the acreage of harvested crops in 1943.

Larger Intertilled Acreage

During the same period farmers also increased the acreage of intertilled crops. In the five Corn Belt States the proportion of cropland used for intertilled crops increased from 56 percent in 1942 to 59 percent in 1943. Comparable data for the three Lake States are 32.5 percent in 1942 and 33.6 percent in 1943.

Expansion of the acreage of intertilled crops in the Corn Belt between 1942 and 1943 resulted primarily from a further increase in the combined acreage of corn and soybeans. Except in Missouri, the total land area used for growing corn and soybeans reached a level in 1943 never before attained. So large an acreage of intertilled crops is recognized as being in excess of the long-time capacity of Corn Belt soils. In wartime, however, even further increases in the proportion of cropland occupied by such crops may be justified in the relatively level fertile sections.

To be most effective 1944 farm production should mesh closely with the 1944–45 requirements for agricultural commodities. Considering the need for production of individual crops, it is clear that high priority crops such as soybeans, flaxseed, and dry edible beans must have first call on 1944 cropland in areas where these crops are produced. In the event that adequate acreages cannot be grown in these areas expansion of the crops into new areas will be necessary.

Oil and Bean Crop Increases

Soybean acreage harvested for beans in the central Corn Belt and Lake States in 1943 increased only slightly—3 to 4 percent—above the acreage harvested for the same purpose a year earlier. Small gains in acreage were registered in all Corn Belt States, except Illinois, but these were partially offset by reductions in acreage in the southern areas of the Lake States. Further expansion of soybean production is needed in 1944.

Farmers in the Corn Belt will be depended on to accept the major responsibility of increasing the 1944 acreage of soybeans. As opportunities for materially expanding production of this crop in areas of the eastern Corn Belt are limited, most of the necessary expansion must come in the level farming areas of the western Corn Belt. To permit the required expansion of soybean production in these areas farmers will find it necessary to reduce the acreage of small grains as well as sod crops.

Anticipated requirements for linseed oil late in 1944 and 1945 call for the production of about the same total acreage of flaxseed in 1944 as in 1943. Flaxseed is important to the region only in Minnesota and to a much lesser

extent Iowa, yet the acreage of the crop grown in these two States in 1943 was 2.1 million acres, approximately one-third of the national flaxseed acreage. Between 1942 and 1943 the acreage of flaxseed grown in Iowa and Minnesota increased 12 percent.

Some expansion above the 1943 acreage of dry edible beans will be necessary in Michigan next year to assure sufficient quantities of food crops higher in protein. Farmers of the dry edible bean producing area of Michigan already have expanded the production of dry edible beans considerably above pre-war levels. Greater production in 1944 can be obtained, however, by growing small acreages of beans on many farms along the fringe of the established producing area.

More Feed Essential

After making a place in their 1944 crop plans for the required acreages of high-priority crops, farmers will seek to maximize the production of feed. Corn produces more feed per acre in most areas of the Corn Belt than any of the other feed grains. Opportunities for further expanding the acreage devoted to intertilled crops varies widely among farms. In some instances an expansion of both soybeans and corn will be justified. When considering this problem farmers will want to examine the extent to which deterioration of soils would be accelerated by increases in the acreage of corn, how total labor and power requirements and their distribution would be affected, and the adjustments that would be necessary in acreages of other crops as well as livestock enterprises.

An appreciable expansion in corn acreage in 1944 will mean a reduction in the acreage of small grain and sod crops. Decreases in the acreage of sod crops during the last two years have been offset by unusually good yields of hay and pasture. Less favorable conditions for the production of hay and pasture in 1944, coupled with reduced acreages of these crops will reverse this situation and culminate in conditions requiring some downward adjustment in numbers of roughage-consuming livestock. Maximum use of high-yielding hay and pasture crops in 1944 and subsequent years would lessen the need for reducing numbers of roughage-consuming livestock.

Dairy, Poultry Changes

Maximum production of food nutrients per unit of feed fed to livestock becomes ever more important as the supply of feed available for livestock dwindles. Special consideration will have to be given to the efficiency with which different classes of livestock utilize feed in producing human food.

Milk ranks highest from this standpoint when all solids are utilized in human food. Eggs are only slightly lower. The requirements for milk and eggs in 1944 also make it desirable that production of these products be increased in 1944.

The number of milk cows in the region was larger in 1943 than in 1942 by about 2 percent, but total milk production decreased in six of the eight States and about 1 percent in the region because of lower production per cow. Milk production increased only in Illinois and Wisconsin. This downward trend reflects the sensitiveness of dairying in the region to changes in the prices of dairy and other livestock products.

Although increased production of milk will be needed in 1944 and its production represents a more efficient use of feed, farmers in this region probably will not produce more next year unless the relationship between returns obtained from dairying and those obtained from other enterprises, notably hogs, is made more favorable to dairying. On the other hand, some dairy farmers of the region can divert milk solids now being fed in excess to livestock in the form of skim milk to commercial channels.

Egg production in the Corn Belt and

Lake States increased further in 1943 to a level approximately 13 percent above 1942. Numbers of hens and pullets on farms January 1, 1944, are expected to exceed those of a year earlier by a considerable margin. Because of the prospective feed situation, it is desirable that in 1944 laying flocks be culled heavier than usual to eliminate low producing birds and ease overcrowding in hen houses on some farms. Production of about the same, or of a slightly greater, volume of eggs in 1944 over 1943 will be possible.

Beef Cattle Shifts

Cattle numbers in the Corn Belt are at an all time high. The production of roughage, even though above average, generally is being fully utilized. As the acreage of hay and pasture is further reduced, the total number of cattle probably will have to be reduced. Moreover, a moderate reduction seems desirable in view of the strong current demand for beef.

In the more level fertile sections of the Corn Belt where a larger proportion of the hay and pasture acreage can be utilized for intertilled crops without undue erosion, farmers may find it desirable to reduce considerably their beef breeding herds and to purchase feeder and stocker cattle in the fall to utilize rough feed in the grain fields along with some concentrates. Moreover, where beef cattle compete with milk cows for feed, particularly where the milk solids produced can be used for human food, it probably will be desirable to reduce the number of beef cattle to the extent labor and facilities are available to care for milk cows.

The relative shortage of concentrates will make it desirable to utilize the maximum amount of roughage in the ration for beef breeding herds.

Beef cattle feeding also will be affected in 1944 by the relative shortage of concentrate feeds. Feeder cattle, when fed to a high finish, are less efficient converters of feed grains into human food than most other types of livestock. Nevertheless, many farms in the Corn Belt have rough feeds which would not be effectively utilized if not fed to feeder cattle. This feed, when supplemented by a limited feed of concentrates, will add both additional pounds and quality to the beef supply. Large quantities of fresh beef are needed the year around. It is important, therefore, that a large number of cattle be put into the feed lot in the fall for marketing as medium to good slaughter cattle in the spring and early summer when the number of other cattle coming to market is seasonally low.

Carrying feeder cattle beyond good grade beef during wartime when feed is relatively short is an undesirable use of resources. After an animal has a moderate finish, additional gains consist chiefly of fat—fat in excess of what is required to make the beef attractive, juicy, and well-flavored. Also, the animal eats less in proportion to its weight, leaving a smaller proportion available after body maintenance requirements for the building of tissue.

Larger Roughage Ratio

Large and relatively thin cattle can utilize large quantities of roughages, especially during the early part of the feeding period. Smaller feeders will grow considerably and it will be desirable to feed them for a longer period of time and also feed more concentrates in the ration. Full concentrate feeding, however, during any part of the feeding period is undesirable in wartime when grain is scarce. Indications are that animals do not completely digest and utilize their feed when full fed on concentrates. But the ration should not be reduced to the extent that sufficient nutrients are not available to give efficient gains.

Cattle feeders generally will make the greatest contribution to the total food supply by selecting feeder cattle of good conformation which are in thrifty but thin condition, and carrying them on roughage and a limited feed of

concentrates. These cattle make more efficient use of feed than lower grade stock. Their total gains are larger, a larger part of the grain is produced on parts of the animal yielding the more desirable cuts of beef, and the distribution of fat is much more desirable, all adding up to a higher yielding, higher grading carcass.

Larger Fall Feeder Sales

A larger proportion of the feeder cattle purchased in 1943 probably will be bought during the fall months than have been in recent years. Strong demand from slaughterers for all grades of cattle during the late winter and early summer months of 1943 pushed up the price of feeder cattle much higher relative to slaughter cattle than usual. This situation is reflected in an 11 percent decrease in cattle on feed on August 1, 1943 compared with the same date a year earlier. Feeder cattle usually sell relatively high during the late winter and early summer with a sufficient seasonal rise in fed cattle prices in the fall to allow feeders a profit. But with ceiling prices on beef, fat cattle prices cannot be expected to increase much during the fall months. They may actually decrease somewhat due to the more plentiful supply of beef and crowded processing and transportation facilities.

It appears that feeders will be unable to pay the usual high prices for feeder cattle during the winter and spring months with the expectation of a seasonal rise in the price of fat cattle in the late summer. Therefore, a larger number of cattle should be put on feed during the fall months and fed for market during the late winter and early summer months to provide the needed supply of fresh beef.

Fewer Hogs

Hog production in 1944 must be smaller than the peak production of 1943. A pig crop about the size of the 1942 crop appears desirable. The relatively short feed supply and the need for more dairy and poultry products make this necessary.

Production of hogs is one of the most flexible enterprises on the farm and to a certain extent farmers adjust the number of hogs they raise according to the amount of concentrates they expect to have available after the minimum requirements of other enterprises have been met. In dairy areas where milk solids are utilized for human food, farmers need to continue to feed their cows for full production thus leaving less grain for hogs. In other sections, to the extent that the grain being fed to cattle and sheep is reduced, additional grain will be available for hog production.

Same Sheep Numbers

Sheep in the Corn Belt and Lake States are in relatively small flocks and it appears desirable to maintain numbers of stock sheep in 1944 at about the present number. Sheep feeders probably will find it desirable to slightly reduce the feed of concentrates and carry feeder sheep and lambs only until a moderate finish is reached.

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West

In 1943 Western State farmers expanded their acreage of land in all crops by 4½ million acres. It is possible to expand this cropland acreage still further in 1944. This year they are producing record quantities of flaxseed, dry edible beans, dry field peas, and potatoes, all of which were requested in increased quantities in the 1943 food program. They are producing more rice, more cattle, more poultry and eggs than in any previous year, but held down their wheat acreage in accordance with the program.

More Wheat Once Again

One of the major impacts on the 1944 production plans of western farmers is the need for more wheat.

Farmers in the Great Plains States, from North Dakota to Texas, have been asked for an 11 million acre wheat increase—three-fourths of the total 14 million acre increase requested of all farmers in 1944. Attainment of the wheat acreage requested in these States will require increased wheat planting equal to nearly 10 percent of the acreage used for all crops in 1943. Yet national food requirements probably will necessitate the maintenance or an increase in the acreage of other war crops in these and the other Western States. Increased wheat plantings for 1944 have also been requested in the other Western States.

Idle Land Uses

Most of the total expansion in Western crop acreage this year was on cropland idle since the drought period of the thirties. Other expansion resulted from decreasing summer fallow acreage and some through the plowing up of native sod. Estimates developed recently in an analysis of production possibilities indicate that another 8 to 9 million acres of idle and fallow cropland and from 1 to 2 million acres of rotation pasture and native sod can be cropped in the 17 Western States. To go beyond that point would in the long run reduce total output and cause accelerated erosion. A comparison of these estimates with the 11½ million acres of increased wheat plantings requested in the 17 Western States indicates an extreme pressure for cropland if the other crop acreages are to be attained.

Some flexibility may be found in summer fallow acreage. In certain areas where seeding conditions are favorable the acreage retained in summer fallow can be reduced with little danger of sacrificing production in future years. But acreage goals reflect production requirements and in areas with unfavorable moisture conditions for seeding, wheat planting should not be expanded to a point where there is little chance of increasing production.

Flaxseed, the major oil crop in the West, is one of the vital crops which may have a substantially lower acreage than needed unless western farmers take precautions to reserve sufficient acreage for it. The production of flaxseed is concentrated largely in the Dakotas, Montana, and Minnesota. It is grown for the most part in direct competition with wheat and it is generally planted after wheat seedings are completed.

Possibly Less Flax

The record acreage of nearly 6.3 million acres of flaxseed planted in the United States in 1943, together with favorable growing conditions during 1943, assures a record production. However, a substantial portion of the increased 1943 seedings were a result of unusual circumstances prevailing in Montana and the Dakotas. An unfavorable planting season for wheat and an abnormally favorable planting season for flax, a large abandonment of winter wheat acreage, the removal of restrictions in new sod breaking for the first time in several years, and the availability of idle land which, when burned over, was suitable for planting flax, were all unusual factors tending to increase the 1943 acreage. Because these factors cannot all be expected to prevail in 1944 and because flaxseed production in the West is generally more hazardous than wheat, farmers may tend to increase wheat acreages at the expense of flaxseed.

More Field Peas

Dry field peas may also encounter some competition from increased wheat seedings for 1944, although to a lesser degree than will flaxseed. Significant quantities of dry peas are produced in irrigated areas throughout the central and northern portions of the Intermountain States but the bulk of their production is concentrated in the dryland areas of western Idaho and eastern Washington and Oregon.

It is largely in the latter areas where

opportunities remain for expanding acreages beyond the record 1943 level. Here, by substituting peas for fallow, dry field pea acreages can be expanded materially even after making allowance for the requested increases in wheat acreage and for alternating peas with grains in order to prevent excessive erosion and weed infestation. This practice will result in only a nominal reduction in the wheat yields. Some additional labor and machinery will be required because of the tendency to increase labor and machinery peak loads when replacing fallow with peas, but the similarity between wheat and pea production operations will tend to hold machinery requirements to a minimum. Because dry peas are a concentrated protein food which can be easily stored and shipped and which require no processing for human consumption, it is probable that the national food requirements will necessitate a significant increase in 1944 pea production.

Dry Bean Increases

Like dry field peas, dry edible beans are a concentrated, direct food, readily stored and transported. With a large demand for dry beans for military, civilian and lend-lease and foreign relief purposes, it seems likely that even greater production than in 1943 will be required in 1944. Some additional expansion can be made in the Western States but with considerably more difficulty than in expanding dry peas.

The national acreage of dry edible beans in 1943 was expanded by nearly 700,000 acres, or about 31 percent above the record 1942 level. Because labor requirements for beans are relatively low, the very intensive drive for beans in the 1943 war food effort was augmented in the irrigated areas by uncertainty as to the availability of sugar beet labor. Dry beans displaced sugar beets on a substantial acreage of highly productive irrigated cropland, an adjustment which probably cannot be anticipated in 1944. Bean acreages in 1943 were also increased to new record levels in most of the established dryland bean areas.

A further expansion in bean acreages will be possible in 1944 in irrigated areas but probably will be limited by increased competition from sugar beets and potatoes. Additional expansion will be possible also in established dryland bean areas but some expansion into new dryland areas doubtless will be necessary in order to meet the national requirements for beans. Areas in the periphery of established dryland bean producing areas in the Great Plains States are those which seem best adapted for use as new bean areas. Here, if necessary, beans can displace summer fallow, wheat, or feed crops.

With the exception of side delivery rakes and pick-up attachments for combines, available machinery is readily adaptable to bean production; and elevator machinery can be adapted for cleaning, or the beans can be transported to adjacent areas for cleaning and grading. However, bean production in all dryland areas in the Plains States is hazardous from the standpoint of both production and soil erosion. Farmers producing beans in these areas will need to take special precautions to prevent wind erosion.

More Potatoes, Sugar Beets

Potato and sugar beet acreages will likewise need to be increased in the West in 1944 in order to assure sufficient quantities of these crops. Together with dry edible beans, potatoes and sugar beets will be strong competitors for intertilled acreage in many of the western irrigated areas. Where these crops compete directly some expansion in their total acreage will be possible at the expense of feed crops and wheat. However, greatest possibilities for increases in irrigated acreages of these crops are in the areas where they do not compete directly. A further expansion of potato acreages into western dryland areas is possible, although, as in the case of dryland

beans, it will involve a sacrifice in yields.

Western farmers will make every effort to maximize their feed production in 1944 after making the necessary allowance for increased acreages of high priority (direct food and oil) crops consistent with national needs. In some areas in the western portions of the Great Plains and the drier wheat areas of the Pacific Northwest, this will be accomplished by maximizing wheat production. In areas wheat produces more feed per unit of resources than does any alternative crop.

In the eastern Great Plains maximum feed production will mean more corn, while in the western portions it will mean more barley and grain sorghums. Oats acreage will need to be curtailed in many areas in order to maximize total feed and wheat production. Production possibilities will vary between areas and between farms within the same area and in determining 1944 production plans, each farmer will need to analyze carefully his own situation in relation to national needs. In view of the tightening feed situation, special consideration will have to be given to byproduct production, such as beet tops and pulp, cull peas, wheat and rye pasture, and corn stover.

Expanded Hay Output

At the conclusion of the 1942–43 feeding season, stocks of hay were generally depleted in the Pacific Coast States, Idaho, and Arizona. They had been reduced substantially in the Southwest and in Wyoming. With the exception of California and Arizona where an acute hay shortage has resulted in an expansion of hay acreages, hay production in 1943 in the West has been substantially lower than in 1942 because of reduced acreages and yields. Consequently, western farmers and ranchers will have to both expand their hay acreages and shift to more productive hays in 1944 unless the 1943–44 winter is unusually mild and the necessity for feeding curtailed materially.

Western livestock producers should examine with especial care their place in the all-out war effort. Livestock operators in feed surplus areas will have to decide whether to maintain or increase their livestock production above the abnormally high present level, or to curtail their livestock production somewhat and market a portion of their feeds in order that producers in feed deficit areas might make their maximum contribution.

Dairy, Poultry Shifts

Because of the dairy cow's efficient production of food nutrients per unit of feed and the need for milk and milk products in our national diet, every effort will have to be made to increase dairy production in those areas where all milk solids are utilized as human food. In the Pacific Coast States and in other war industry centers throughout the West, dairy cow numbers and production per cow should be increased. This will require the allocation of greater quantities of both concentrates and roughages to dairy production and some sacrifice in the production of other types of livestock. Care must be taken, however, to maximize the production per unit of feed. In most areas increased use can be made of pastures.

In the more sparsely populated areas of the West where the "red cow" predominates, dairy production should be maintained but it should recieve a somewhat lower priority in the use of feed. Here, dairy products are usually marketed in the form of butterfat, the skim milk being fed to poultry and other livestock.

Poultry and egg production in the West has been expanded already to about the capacity of housing and other production facilities. In the Dakotas and Nebraska, laying flocks have been expanded to the point where housing facilities are overtaxed so that production rates have declined materially. In such areas farmers should reduce the size of their laying flocks. Through closer culling and the maintenance of only the more efficient lay-

ers they can maintain or even increase their egg production with considerably less feed. In other western areas, national requirements suggest the maintenance of poultry flocks no larger than necessary to maintain egg production at about the 1943 level.

Less Hog Output

From the standpoint of national needs, hog production in 1944 should take a back seat at the western feed table. In 1943 hog production in the Western States increased to record or near record levels largely because of a favorable hog-feed ratio. The western hog production problem for 1944 is not one of increasing pork production but rather a reduction in both hog numbers and marketing weights. This will release some feed supplies for other necessary uses and some feed grain land for direct food crops.

Farmers in the major western hog States, South Dakota, Nebraska, and Kansas, may be reluctant to curtail hog production. Having started from an abnormally low level, the very marked increase in hog production in these States in recent years has not been sufficient to bring them up to previous record levels. This, together with the fact that these States normally produce both heavy hogs and a surplus of feed grains, may tend to hold hog numbers and market weights above desirable level unless offset by the recent lowered support price.

Fewer Beef Cattle

The major cattle production problem in the West is that of inducing larger than usual, orderly marketings so as to bring cattle numbers in line with probable feed supplies and at the same time provide the quantities of beef and veal needed for both military and civilian consumption.

Cattle numbers in the West have increased during the last 5 years to record or near record levels as a result of favorable range and feed conditions as well as favorable prices. In relation to normal range carrying capacity and feed supplies, cattle numbers appeared to be excessive a year ago, yet have continued to increase. Western cattlemen have gambled on favorable feed supplies and prices and have won. Now, because of exceptionally large inventories, they are in an excellent position to market the larger quantities of beef and veal needed and at the same time increase their ability to weather price declines and adverse feed conditions. Increased marketing needs have been demonstrated already in the Southwest where drought has left the range short and dry.

Closer Culling

The long over-due closer culling of herds should prepare cattlemen generally for less favorable periods. Production in the areas which are overstocked would be both stabilized and maximized by bringing numbers in line with safe grazing capacities. This also will permit the maintenance of larger feed reserves. Maximum wartime utilization of western range resources requires the allocation of sufficient feed grains, protein supplements and roughages to complement the range forage supply for the optimum number of range cattle. But it cannot permit the allocation of sufficient feed to carry over the number of cattle which can be carried on the range during the most favorable periods.

As contrasted with numbers of cattle in breeding herds, the number of cattle on feed in the Western States has been smaller in 1943 than in the previous year. The feed situation in 1944 will continue to limit feeding operations in these States. Greater utilization can be obtained, however, from the feed available for such operations by feeding limited rations to greater numbers of thin, quality cattle, and marketing them when they have attained a moderate finish. This will tend to facilitate more orderly marketings, as will the use of an increased acreage of winter wheat pasture.

Larger Sheep Flocks

By the end of 1943 stock sheep numbers in the range States are ex-

pected to be at the lowest level in several years. Harassed by shortages of experienced labor, high costs and rationing difficulties, sheepmen in most of the range States have reduced numbers. In some instances complete liquidation of sheep operations has occurred. National meat requirements indicate the desirability of maintaining range sheep numbers at about their present level.

As contrasted with range sheep numbers, farm flocks and sheep on feed in the Northern Plains States, from North Dakota to Kansas, have continued to increase and are now at record or near record levels. Farm flocks are efficient utilizers of waste feeds and to the extent that they do not compete directly for feed with dairy cows, they probably should be maintained at relatively high levels.

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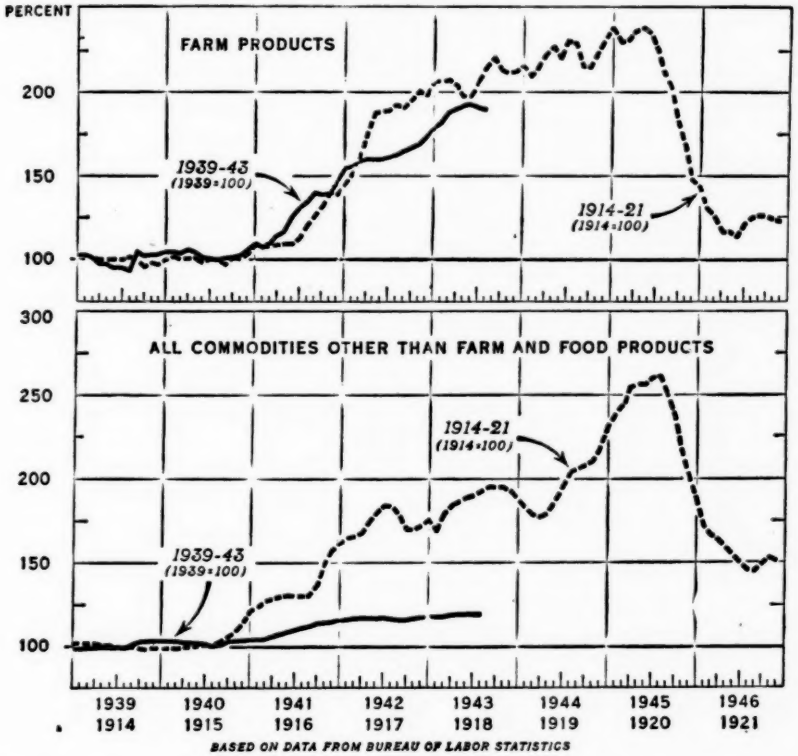
WHOLESALE PRICES OF FARM PRODUCTS, AND OF ALL COMMODITIES OTHER THAN FARM AND FOOD PRODUCTS, INDEX NUMBERS, UNITED STATES, 1914-21 AND 1939-43



Year and month	Industrial production (1935–39=100) [1]	Income of industrial workers (1935–39=100) [2]	Cost of living (1935–39=100) [3]	1910–14=100					
				Wholesale prices of all commodities [4]	Prices paid by farmers for commodities used in—			Prices paid, interest and taxes	Farm wage rates
					Living	Production	Living and production		
1925	90	126	125	151	163	147	156	169	176
1926	96	131	126	146	162	146	155	168	179
1927	95	127	124	139	160	144	153	166	179
1928	99	126	123	141	160	148	155	168	179
1929	110	134	122	139	159	147	154	167	180
1930	91	110	119	126	150	141	146	160	167
1931	75	84	109	107	128	123	126	142	139
1932	58	58	98	95	108	109	108	124	96
1933	69	61	92	96	108	108	108	120	85
1934	75	76	96	109	122	123	122	129	95
1935	87	86	98	117	124	127	125	130	103
1936	103	100	99	118	123	125	124	128	111
1937	113	117	103	126	128	136	131	134	126
1938	89	91	101	115	122	125	123	127	125
1939	108	105	99	113	120	122	121	125	123
1940	123	119	100	115	121	124	122	126	126
1941	156	169	105	127	131	131	131	133	154
1942	181	238	116	144	154	149	152	151	201
1942 July	178	240	117	144	155	150	153	152	202
August	183	251	118	145	156	150	153	152	--------
September	187	256	118	145	157	151	154	153	--------
1943 July	[5]203	306	124	151	172	164	169	165	274
August	203	----------	123	151	172	164	169	165	--------
September	----------	----------	----------	----------	172	166	169	165	--------

Year and month	Index of prices received by farmers (August 1909–July 1914=100)								Ratio, prices received to prices paid, interest and taxes
	Grains	Cotton and cottonseed	Fruits	Truck crops	Meat animals	Dairy products	Chickens and eggs	All groups	
1925	157	177	172	153	141	153	163	156	92
1926	131	122	138	143	147	152	159	145	86
1927	128	128	144	121	140	155	144	139	84
1928	130	152	176	159	151	158	153	149	89
1929	120	144	141	149	156	157	162	146	87
1930	100	102	162	140	134	137	129	126	79
1931	63	63	98	117	92	108	100	87	61
1932	44	47	82	102	63	83	82	65	52
1933	62	64	74	105	60	82	75	70	58
1934	93	99	100	103	68	95	89	90	70
1935	103	101	91	125	117	108	117	108	83
1936	108	100	100	111	119	119	115	114	89
1937	126	95	122	123	132	124	111	121	90
1938	74	70	73	101	114	109	108	95	75
1939	72	73	77	105	110	104	94	92	74
1940	85	81	79	114	108	113	96	98	78
1941	96	113	92	144	144	131	122	122	92
1942	119	155	125	199	189	152	151	157	104
1942 July	115	155	131	200	193	144	145	154	101
August	115	151	126	256	200	151	156	163	107
September	119	156	129	191	195	156	166	163	107
1943 July	154	163	230	315	206	178	183	188	114
August	155	167	204	308	206	181	193	193	117
September	158	171	204	311	207	185	201	193	117

[1] Federal Reserve Board, adjusted for seasonal variation. Revised September 1941.
[2] Total income, adjusted for seasonal variation. Revised March 1943.
[3] Bureau of Labor Statistics.
[4] Bureau of Labor Statistics index with 1926=100, divided by its 1910–14 average of 68.5.
[5] Revised.

NOTE.—The index numbers of industrial production and of industrial workers' income shown above are not comparable in several respects. The production index includes only mining and manufacturing; the income index also includes transportation. The production index is intended to measure volume, whereas the income index is affected by wage rates as well as by time worked. There is usually a time lag between changes in volume of production and workers' income, since output can be increased or decreased to some extent without much change in the number of workers.

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